

## CLAIMS

1. A methodology, computer system and procedure that provides a flexible (semi-standard) contract between the parties containing general and particular conditions.  
Means of establishing a general condition of contract;  
Means of amending a particular condition of contract containing variable properties for different products ;  
Means of creating flexible contract based on semi standard product
2. System of claim 1, wherein the contract represents branch product with common root with other branch product.
3. System of claim 1, wherein the contract terms of minimum and maximum price fluctuation are set and are automatically modified as the product changes.
4. System of claim 1, wherein the contract terms of physical delivery notice day change as contract delivery date changes.
5. System of claim 1, wherein the contract terms for lot size and measure change as branch product changes.
6. System of claim 1, wherein the non-US Dollar currency of price quote will change as the marketplace changes.
7. System of claim 1 wherein, the contract terms containing minimum fluctuation of price and daily limits of price change as branch product changes.
8. The system of claim 1 wherein, cash based performance bond is employed as risk management tool; further comprising automatic adjustment as branch product changes.
9. The system of claim 1, wherein a manufactured product is considered to be standard commodity if particular condition of contract is absent.
10. A system, computer program and methodology that transforms a customized bilateral forward contract into a flexible financial instrument comprising of:  
Means of constructing a flexible( semi-standard) contract based on root products with standard specification;  
means of applying the general condition of contract (specification) for financial instrument to reflect the root product as a generic product;  
means of further modifying the contract specification to reflect the particular conditions of the forward contract or swap;  
means of treating any swap contract as flexible financial instrument.
11. System of claim 10, wherein the contract represents buying and selling of a root product. A root product further comprising the base product upon which any subsequent value-added product is made.
12. System of claim 11, wherein the root product is technically equivalent to generic root product if no changes in contract specification is made.

13. System of claim 12, wherein a contract specification based on generic or root product is interchangeable and as such is considered a fungible product.
14. System of claim 11, wherein the contract specification for minimum and maximum price fluctuation are modified as the root product changes.
15. System of claim 11, wherein the contract specification for lot size and measure change as root product changes.
16. System of claim 11, wherein the currency of price quote changes as the marketplace changes.
17. System of claim 14 wherein, the limited price fluctuation varies with respect to product's moving average price.
18. System of claim 10 wherein, the contract specification employs a variable cash based performance bond as risk management tool.
19. System of claim 10, wherein any non -standard contract can employ flexible (semi-standard) contract as underlying financial instrument.
20. System of claim 19, wherein any standard contract is special case of flexible (semi-standard) contract.
21. System of claim 20, wherein a standard contract is automatically generated if the root product is a standard commodity.
22. System of claim 21, wherein a contract based on the root product and specification can be treated as financial instrument.